

Real Estate Economics Consulting Services – DRAFT SCOPE

Overview of Services:

The Broadview – Bitter Lake – Haller Lake Neighborhood Advisory Committee (NAC) is seeking the services of a Real Estate Economics Consultant to evaluate a series of potential changes in zoning designations to determine:

- Is development feasible under the potential changes?
- Does the potential additional density support the inclusion of affordable housing under the City's incentive zoning ordinance (SMC 23.58A)?

The Consultant will also provide recommendations for adjusting and use regulations to support increasing the feasibility of development within several neighborhood-oriented mixed-use, retail/residential districts.

Background:

Locations

- **Linden Avenue:** The primary district, in terms of intensity as well as effort, will be along the east side of Linden Avenue N., encompassing several parcels that front Aurora Ave N. and Linden Ave. N. The B-BL-HL Neighborhood Plan recommended, and comments during the "issue-identification" phase of the update strongly confirmed creating a neighborhood serving mixed-use district along Linden Ave N between 130th and 145th Streets.

Many of the parcels fronting Linden also front Aurora. Most of the existing retail is oriented toward this frontage. Current zoning between Linden and Aurora is C-1 65' and C-2 65'. Parcels on the west side are zoned Mid Rise and Low Rise-3.

Between 135th and 143rd are several multifamily developments, including two that are built in C-2 zone.

- **Greenwood Avenue:** The secondary districts are at the intersections of N 105th St, N. 125th St, and Between N 1453rd St and N. 145th St. along Greenwood Ave N. There is interest to increase the vitality of three business nodes along Greenwood Avenue N: N. 105th Street; N 125th St and between N 143rd; and N 145th Streets. Zoning of these nodes includes NC1, NC2 and C2. All of the parcels at these nodes are developed, but below the zoned capacity. The northern two nodes are lacking complete sidewalks. Most development is car oriented with parking located between the buildings and the sidewalk (where there is sidewalk).

Scope & Products

Meetings

- Meet with planning team to discuss the project status, work plan, objectives and procedures.
- Conduct a Developers Forum to review development scenarios and receive comments from the development community on the conditions and actions necessary to achieve the desired redevelopment. *(This is optional)*
- Meet with the City to present draft report
- Meet with the Neighborhood Advisory Committee and present results.

Market Analysis

Conduct a general market survey to determine the general market for various use types, land values, and development trends and opportunities. Prepare a brief memo summarizing results and identifying development opportunities and range of potential rental rates or sales for:

- Multifamily residential development
- Neighborhood and specialty retail development
- Professional offices
- Local commercial services including eating and drinking establishments.
- Community scaled retail services (e.g. full service grocery store)

Development Prototypes

Identify a range of prototypes that will serve as the basis for testing feasibility. Work with MAKERS and City staff, and consider existing MUPs as well as the consultant's knowledge of likely products for this area/market. MAKERS and the City will provide rough site layouts and quantities of constructed elements and leasable/salable areas.

Methods and Assumptions

Briefly define pro forma analysis methods and assumptions used to model feasibility.

Results and Conclusions

For up to four specific site scenarios, identify the relative feasibility of desired development types (e.g., multifamily residential, neighborhood-oriented retail, mixed-use). The analysis will be a cursory examination of return vs. investment for a representative site plan development under existing and potential zoning.

Examine the sensitivity of project feasibility to various changes to evaluate what adjustment to development regulations might make the projects more feasible. This might include input regarding the effects of parking ratios, and zoning restrictions including use, height, and bulk. Consider if potential additional density would support the inclusion of affordable housing under the City's incentive zoning ordinance (SMC 23.58A

Draft and Final Documentation

Document results in a brief written report. Provide the results of the pro forma analyses, including a *summary of entrepreneurial return as a percentage of development cost* to enable easy communication of the results. Include recommendations for regulatory measures and affordable housing provisions related to the feasibility of desired development.